



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB6713

by Rep. Bill Mitchell

SYNOPSIS AS INTRODUCED:

30 ILCS 540/3-1
705 ILCS 505/24

from Ch. 127, par. 132.403-1
from Ch. 37, par. 439.24

Amends the State Prompt Payment Act and the Court of Claims Act. Provides that, in directing payment of a claim that is based on a vendor's bill or invoice for goods or services furnished to the State, the Court of Claims must direct the Comptroller to add an interest penalty. An interest penalty of 1% of the amount of the award shall be added for each month or fraction thereof after the sixtieth day after the receipt of the vendor's proper bill or invoice, until final payment is made. Provides that the interest penalty shall be added regardless of the amount of time between the receipt of the vendor's proper bill or invoice and the final payment because of the appropriation process, the consideration of the matter by the Court, or any other reason. Makes other changes conforming the State Prompt Payment Act to the Court of Claims Act. Effective immediately.

LRB095 22444 AJ0 52784 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning vendors' claims against the State.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The State Prompt Payment Act is amended by
5 changing Section 3-1 as follows:

6 (30 ILCS 540/3-1) (from Ch. 127, par. 132.403-1)

7 Sec. 3-1. The Illinois Court of Claims shall, in its
8 investigation of payments due claimants, provide for interest
9 penalties as prescribed in this Act; however, interest
10 penalties in claims pursuant to the Line of Duty Compensation
11 Act shall be paid in accordance with subsection (3) of Section
12 24 of the Court of Claims Act and the interest penalty in a
13 claim based on a vendor's bill or invoice for goods or services
14 furnished to the State shall be paid in accordance with
15 subsection (4) of Section 24 of the Court of Claims Act.

16 (Source: P.A. 95-928, eff. 8-26-08.)

17 Section 10. The Court of Claims Act is amended by changing
18 Section 24 as follows:

19 (705 ILCS 505/24) (from Ch. 37, par. 439.24)

20 Sec. 24. Payment of awards.

21 (1) From funds appropriated by the General Assembly for the

1 purposes of this Section the Court may direct immediate payment
2 of:

3 (a) All claims arising solely as a result of the
4 lapsing of an appropriation out of which the obligation
5 could have been paid.

6 (b) All claims pursuant to the Line of Duty
7 Compensation Act.

8 (c) All claims pursuant to the "Illinois National
9 Guardsman's and Naval Militiaman's Compensation Act",
10 approved August 12, 1971, as amended.

11 (d) All claims pursuant to the "Crime Victims
12 Compensation Act", approved August 23, 1973, as amended.

13 (e) All other claims wherein the amount of the award of
14 the Court is less than \$5,000.

15 (2) The court may, from funds specifically appropriated
16 from the General Revenue Fund for this purpose, direct the
17 payment of awards less than \$50,000 solely as a result of the
18 lapsing of an appropriation originally made from any fund held
19 by the State Treasurer. For any such award paid from the
20 General Revenue Fund, the court shall thereafter seek an
21 appropriation from the fund from which the liability originally
22 accrued in reimbursement of the General Revenue Fund.

23 (3) In directing payment of a claim pursuant to the Line of
24 Duty Compensation Act, the Court must direct the Comptroller to
25 add an interest penalty if payment of a claim is not made
26 within 6 months after a claim is filed in accordance with

1 Section 3 of the Line of Duty Compensation Act and all
2 information has been submitted as required under Section 4 of
3 the Line of Duty Compensation Act. If payment is not issued
4 within the 6-month period, an interest penalty of 1% of the
5 amount of the award shall be added for each month or fraction
6 thereof after the end of the 6-month period, until final
7 payment is made. This interest penalty shall be added
8 regardless of whether the payment is not issued within the
9 6-month period because of the appropriation process, the
10 consideration of the matter by the Court, or any other reason.

11 (4) In directing payment of a claim that is based on a
12 vendor's bill or invoice for goods or services furnished to the
13 State, the Court must direct the Comptroller to add an interest
14 penalty. An interest penalty of 1% of the amount of the award
15 shall be added for each month or fraction thereof after the
16 sixtieth day after the receipt of the vendor's proper bill or
17 invoice, until final payment is made. This interest penalty
18 shall be added regardless of the amount of time between the
19 receipt of the vendor's proper bill or invoice and the final
20 payment because of the appropriation process, the
21 consideration of the matter by the Court, or any other reason.

22 (Source: P.A. 95-928, eff. 8-26-08.)

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.